

Opening Statement of the Honorable Fred Upton
Subcommittee on Communications and Technology
Hearing on “Oversight of Incentive Auction Implementation”
July 23, 2013

(As Prepared for Delivery)

It has been nearly a year and a half since the Middle Class Tax Relief and Job Creation Act of 2012 was signed into law – important legislation that included a provision granting the FCC the authority to conduct a broadcast television spectrum incentive auction. This unique auction not only fulfills long standing recommendations to create a nationwide public safety network, but it also helps to meet the soaring demand for commercial mobile broadband services. This auction has the potential to create jobs, spur innovation and breakthrough technologies, and make a substantial down payment toward the national debt. However, in order for the auction to succeed, the FCC must resolve several concerns that both stakeholders and my colleagues here in Congress have regarding the implementation of the law. We continue to exercise our oversight role in the effort to keep the auction on track as intended.

As the FCC works to implement this law, it must ensure coordination of television stations along the borders with Mexico and Canada. My home state of Michigan is particularly affected by this which is why earlier this year I was joined by my friend, Chairman Emeritus Dingell, and the entire Michigan Congressional delegation, in a letter to the FCC expressing our concerns. If we fail to get border coordination right, the consequences will be less spectrum cleared for auction and less money to pay for the nationwide public safety network and the reduction of our national debt. It is critical that we get the coordination done, and done before we ask broadcasters to take a leap of faith in the incentive auction.

In addition to the important border issues that must be resolved, robust and unfettered competition among bidders is a critical element needed for a successful auction. The FCC must not pick winners and losers by excluding certain parties from the auction or constraining parties' ability to bid. Doing so would not only reduce revenues but also violate the statute.

We only have one shot to make this auction successful. Incentive auctions are capable of driving incredible technological and economic benefits. Let's make sure we do it right.

###